

HOUSE BILL REPORT

SB 6010

As Reported By House Committee On:

Higher Education
Appropriations

Title: An act relating to operating fee waivers.

Brief Description: Creating operating fees waivers not supported by state general fund appropriations.

Sponsors: Senators West, Jacobsen and Sheahan.

Brief History:

Committee Activity:

Higher Education: 2/16/00, 2/22/00 [DPA];

Appropriations: 2/26/00, 2/28/00 [DPA(APP w/o HE)s].

Brief Summary of Bill (As Amended by House Committee)

- Institutions of higher education may offer additional tuition waivers to any student above the limited waiver authority established under RCW 28B.15.910.
- Institutions granting waivers under this act will not receive any state general fund money to replace forgone tuition revenue.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended. Signed by 8 members: Representatives Carlson, Republican Co-Chair; Kenney, Democratic Co-Chair; Lantz, Democratic Vice Chair; Radcliff, Republican Vice Chair; Dunn; Edmonds; Esser and Gombosky.

Staff: Erika Prager (786-7120).

Background:

Washington institutions of higher education are authorized to waive all or a portion of tuition, up to a limit specified in statute. RCW 28B.15.910 lists the maximum percentage of total tuition revenue that each public four-year institution and the community college system may waive. Tuition waived up to these limits is reimbursed to the institutions from the state general fund. The maximum percentages of tuition that may be waived are as follows: University of Washington, 21 percent; Washington State University, 20 percent; Eastern Washington University, 11 percent; Western Washington University, 10 percent; Central Washington University, 8 percent; The Evergreen State College, 6 percent; and the community colleges as a whole, 35 percent.

The recipients of these waivers are listed in statute, and include, but are not limited to selected veterans and military employees, graduate service appointments, and residents of states with reciprocity agreements in Washington.

In the 1999-2001 budget, the Legislature granted authority to the institutions of higher education, to waive all or a portion of tuition for any student. Institutions choosing to grant additional waivers are not reimbursed by the state general fund. This authority will end on June 30, 2001, unless it is established into law or included in the 2001-2003 budget.

Summary of Amended Bill:

Institutions of higher education may offer additional tuition waivers to any student. This authority is in addition to the waiver authority established under RCW 28B.15.910. However, no state general fund is provided to replace tuition revenue forgone as a result of waivers granted under this bill.

Amended Bill Compared to Original Bill: Language is added to clarify that community colleges must act in accordance with state board policy. The institutions also must prepare a report of the costs and benefits of waivers granted under this act and submit it to the Legislature every two years.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Amended Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: (Original bill) There is no universal problem. Each college has its own issues; and this authority gives flexibility to address the issues at hand.

Particularly, colleges can target specific demand and need. Eastern Washington University is using this authority to strengthen the number of students in five graduate programs. Washington State University is granting tuition waivers to a group from the National Guard and also to attract students with high academic merit. Most community colleges are waiving the non-resident tuition differential for all students. By putting this into statute, the institutions are able to get into the market early and recruit students for next year. It helps colleges be responsive to the needs of students and to the Legislature as needs arise. The institutions are providing waivers where they make sense.

Testimony Against: None.

Testified: Colonel Rick Read, Washington National Guard; Larry Ganders, Washington State University; Scott Morgan, State Board for Community and Technical Colleges; George Durrie, Eastern Washington University; Matt Carroll, Washington State University faculty; and Terry Teale, Council of Presidents.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Appropriations and without amendment by Committee on Higher Education. Signed by 29 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Benson; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Mulliken; Parlette; Rockefeller; Ruderman; Sullivan; Sump; Tokuda and Wensman.

Staff: Jack Daray (786-7178).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Higher Education: The Appropriations Committee amendment makes technical corrections to the underlying statute but is otherwise the same as the recommendations of the House Higher Education Committee.

Appropriation: None.

Fiscal Note: Requested on February 25, 2000.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Current budget language authorized flexibility needed for administration of tuition waiver policy. Establishing this policy in statute would

provide predictability to this new flexibility to better manage tuition waivers. Tuition waivers will be provided to attract students who would not otherwise attend the institutions, including attention to students of special merit or non-resident students. This is an important tool for providing management flexibility of an increasingly changing mix of student characteristics. While the waiver itself will result in reduced revenues, the increased attendance at the institutions will more than make up the initial loss.

Testimony Against: None.

Testified: Dick Ludwig, Council of Faculty Representatives; Larry Ganders and Matt Carroll, Washington State University; and George Durrie, Eastern Washington University.